

**TENNESSEE GENERAL ASSEMBLY
FISCAL REVIEW COMMITTEE**



FISCAL NOTE

SB 93 - HB 257

February 3, 2017

SUMMARY OF BILL: Terminates the State Trust of Tennessee with no wind down year.

ESTIMATED FISCAL IMPACT:

NOT SIGNIFICANT

Assumptions:

- According to the Department of the Treasury, the State Trust of Tennessee has been the entity utilized by the Department to conduct the investment and banking operations of the State Pooled Investment Fund, primarily through the Federal Reserve Bank. These services are now being performed by a third party commercial bank, rendering the State Trust obsolete.
- The funding for administrative services that were previously provided by the State Trust will remain in the Treasury Department's recurring base budget for the purpose of funding expenses associated with the third party commercial bank.
- In FY15-16, the State Trust had administrative expenditures of \$28,765 and was funded from a portion of the \$4,400,000 appropriated to overall administrative funding for the Treasury's State Cash Management Program in FY15-16.

CERTIFICATION:

The information contained herein is true and correct to the best of my knowledge.

A handwritten signature in blue ink that reads "Krista M. Lee".

Krista M. Lee, Executive Director

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